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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/931,677	08/15/2001	Martin Khang Nguyen	Nguyen.M-01	3351

22197 7590 01/27/2005

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EXAMINER

JANVIER, JEAN D

ART UNIT	PAPER NUMBER
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3622

DATE MAILED: 01/27/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/931,677

Applicant(s)

NGUYEN, MARTIN KHANG

Examiner

Jean D Janvier

Art Unit

3622

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on ____.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-3 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☒ Claim(s) 1-3 is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on ____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. ____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|--|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. ____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date ____ | 6) <input type="checkbox"/> Other: ____ |

DETAILED ACTION

Specification

The title of the invention, under 37 CFR 1.72, should be descriptive, brief and technically accurate and should be placed on the first page of the specification.

Status of the claims

Claims 1-3 are now pending in the Instant Application.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the

Art Unit: 3622

term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450 U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject

Art Unit: 3622

matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was

Art Unit: 3622

already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

Claims 1-3 are rejected under 35 U.S.C. 101 because the claimed invention is directed to a non-statutory subject matter. Here, the steps as recited in the claims pertain to a manual process and therefore, the claims do not fall within the technological art. To this end, a relevant device or hardware, such as a computer system, a computer database, a data communication, computer network, a **card reader**, the Internet and so and so forth should be used to implement the steps or process recited in the claims.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claims 1-3 are rejected under 35 U.S.C. 102(b) as being anticipated by Fajkowski, WO 98/19229.

As per claims 1-3, Fajkowski discloses a system for providing a coupon card or value

Art Unit: 3622

card (wallet card), from a coupon card issuer, containing one or more coupons or multiple coupons on a single product or service to a customer, who uses the coupon card for redeeming one or more stored coupons during a transaction at a POS or retail establishment, wherein, upon inserting the customer's unique coupon card 1 into the retail establishment periphery device 100 and detecting the presence of at least one stored coupon associated with a product in the customer's order (when a product UPC code stored on the coupon card matches a product UPC code in the customer's order), a price reduction is applied to the customer's transaction and the retail establishment is subsequently credited or reimbursed for honoring or redeeming the at least one coupon retrieved from the customer's coupon card 1 (See abstract; page 4: 24 to page 9: 7). Fajkowski further discloses a system wherein during a transaction process, the periphery device 100 indicates if there is a manufacturer instant rebate for any product currently in the customer's order. In the affirmative, the system or rebate system allows the customer to instantly receive credit for the rebate, while quickly and efficiently supplying the manufacturer with transaction data including both the demographic data and stimulation power the rebate is intended to provide in the first place, wherein the demographic data are used to further measure the effectiveness of the system and to further distribute rebates to the identified user or customer of the coupon card 1 (page 22: 21-24; page 27: 14-31).

Further, Fajkowski discloses that the coupon card (1) may include a customer's identification number, which allows the provider of the coupon card and/or manufacturer (supplier) to uniquely identify each individual user to whom a coupon card 1 is registered, thereby enabling purchase habits or behavior of each individual user to be extracted from

Art Unit: 3622

collected sale data associated with each user and used by the supplier or manufacturer in further marketing analysis in order to prepare targeted coupon packages for the each individual user, wherein the targeted coupon packages are transmitted to each individual coupon card 1, to offer real-time rebates to a user or to increase/decrease a coupon value of a coupon already stored on an identified coupon card 1 in reaction to the user's response to a current promotion. Here, a **clearinghouse 300** receives from a plurality of different POS periphery devices 100, linked to servers 200, related to different stores transaction data associated with the users identified by the coupon cards 1 and compiles a detailed database of the purchasing habits or behavior of all users of coupon cards 1. From this database, precise marketing profiles and reports can be provided to the manufacturer or supplier and used to generate customized coupon packages by the manufacturer or supplier for the benefit of the individual users of the coupon cards 1. In general, coupon data directed to a particular user of a coupon card 1 are transmitted from the manufacturer or supplier to the clearinghouse 300 (manager) to be uploaded by a periphery device 100, linked to the clearinghouse 300 via server 200, to the coupon card 1 during a transaction or redemption process at a retail establishment involving the identified coupon card 1 (See abstract; page 4: 24 to page 9: 7; page 19: 27 to page 20: 8; page 32: 11 to page 33: 6).

It is herein understood that the steps of notifying the clearinghouse 300 or manager of each of the coupons redeemed (discounts issued) by the retailers, notifying the manufacturers or suppliers of the transactions (purchase discounts issued by the retailers) involving their coupons distributed to the coupon card holders via the clearinghouse 300 or manager, paying the manager a service fee and reimbursing the retailers for honoring or redeeming the presented coupons are explicitly or implicitly supported in the current reference.

See figs. 7a-7b, 9 and 15c.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

US Patent 5,380,991 to Valencia discloses a system for allowing a customer to obtain the benefits of reduced prices for certain items without the necessity of redeeming paper coupons. In fact, the manufacturer's coupons are electronically provided to the customer or shopper via a smart card having encoded in its memory a plurality of discount coupons redeemable on a plurality of products. Furthermore, the smart card stores information or sale data on products that have been purchased by the shopper (purchase behavior or purchase history). The coupons stored on the smart card are redeemed in a conventional manner at a retailer's POS and information, sale data and discount coupon data, stored on the smart card is updated accordingly (See abstract).

In general, at the retailer's POS or store, a tag is affixed to a discounted product displayed on the store shelf to thereby help the customer or the shopper identify a discounted product. The tag may contain other relevant product information and maybe color-coded. The tag could include several discount values associated with a particular product, thereby indicating that the customer or shopper would receive additional discounts if the particular product is repurchased in the future (one or more discounts applied to one particular product at different time intervals

Art Unit: 3622

in the on-going or progressive couponing method). It should further be noted that, during a redemption process at the retailer's POS, product information, customer's identification and discount data are read from the smart card and if there is a match between a product currently in the customer's order and a product stored on the customer's smart card, then the discount related to this product is applied to the customer's order. And, if one or more products in the customer's order are subject to additional discounts or progressive discounts, then the system would scan the memory of the customer's smart card to determine whether the customer has previously purchased this particular item or product, listed in the progressive couponing. In the affirmative, the additional discounts are applied and the smart card memory is altered accordingly (multiple or progressive discounts are redeemed on the single product during a single shopping trip) (col. 2: 59 to col. 3: 52; col. 4: 37-51; col. 5: 31-42; col. 5: 55-61; **col. 6: 6-51**).

In another embodiment, the smart card storing the paperless or electronic coupons can be purchased from a customer service center or service provider. For instance, the smart card is purchased at a service center, the customer would pay a particular amount, such as \$ 25.00, for the card. In other words, the customer or purchaser pre-pays or loads the card with \$25.00 worth of coupons, used towards various discount coupons related to various products and the balance is adjusted accordingly and stored in the memory of the card following a redemption. In addition, and alternatively, as an inducement to purchase various items, the amount initially credited or stored on the smart card could be complimentary to the customer (that is to say that the smart card storing the initial monetary value could be given free to the customer as an incentive to buy a plurality of products associated with the plurality of discount values related to the initial monetary amount credited or stored on the card memory). When the customer

Art Unit: 3622

purchases the smart card 2 at the customer service center 64, all the necessary information including the customer's identification number will be entered onto the smart card erasable memory. Additional monetary values, purchased by the customer or given free to the customer by the manufacturer or supplier, would be added to the smart card 2 memory when the original amount has been depleted (col. 6: 51 to col. 7: 12).

Finally, transaction data, associated with the electronic coupon redemption process, are collected at the participating retailers and forwarded to the respective manufacturers and used for tracking and paying the participating retailers for redeeming or honoring the electronic coupons presented by the users of the re-usable smart card (col. 9: 3- 29).

US Patent 6,385,591B1 to Mankoff teaches a system for distributing electronic coupons to users over the Internet. A user selects a given link in a displayed web page, related to a server or first server, on a client machine or first computer, wherein the given link is an image embedded in an advertising banner displayed on the web page such that a user click-through on the banner automatically generates an electronic coupon or virtual coupon, which is downloaded by the user from the first server and saved on a local database or memory on the client machine or first computer. Thereafter, following this recording or saving, the electronic coupon (coupon information) is retrieved and transferred to a handheld device or PDA, having a memory means or database file to store the transferred coupon information, via a communication interface when the PDA is synchronized to the client machine. The user can then take the PDA to a local store POS terminal or second computer, where the coupon information can be retrieved from the memory of the PDA during a redemption process when

Art Unit: 3622

the required product is bought. Further, the operator of the first server may provide the coupon distributions service for a fee. Finally, the retail store where the coupon was redeemed receives appropriate compensation, for honoring the coupon submitted by the user via his PDA, from the advertiser (manufacturer or retailer) who provides the coupon (See abstract; col. 1: 11-16; col. 1: 44 to col. 2: 34; col. 3: 50-67; col. 4: 18-67; col. 5: 7-11; col. 5: 27-53.

Any inquiry concerning this communication from the Examiner should be directed to Jean D. Janvier, whose telephone number is (703) 308-6287). The aforementioned can normally be reached Monday-Thursday from 10:00AM to 6:00 PM EST. If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's Supervisor, Mr. Eric W. Stamber, can be reached at (703) 305- 8469.

For information on the status of your case, please call the help desk at (703) 308-1113. Further, the following fax numbers can be used, if need be, by the Applicant(s):

After Final- 703-872-9327

Before Final -703-872-9326

Non-Official Draft- 703-746-7240

Customer Service- 703-872-9325

JDJ
01/22/05

Jean D. Janvier
Patent Examiner

Art Unit 3622

JEAN D. JANVIER
PRIMARY EXAMINER

